SUPERMARKET BUSINESS

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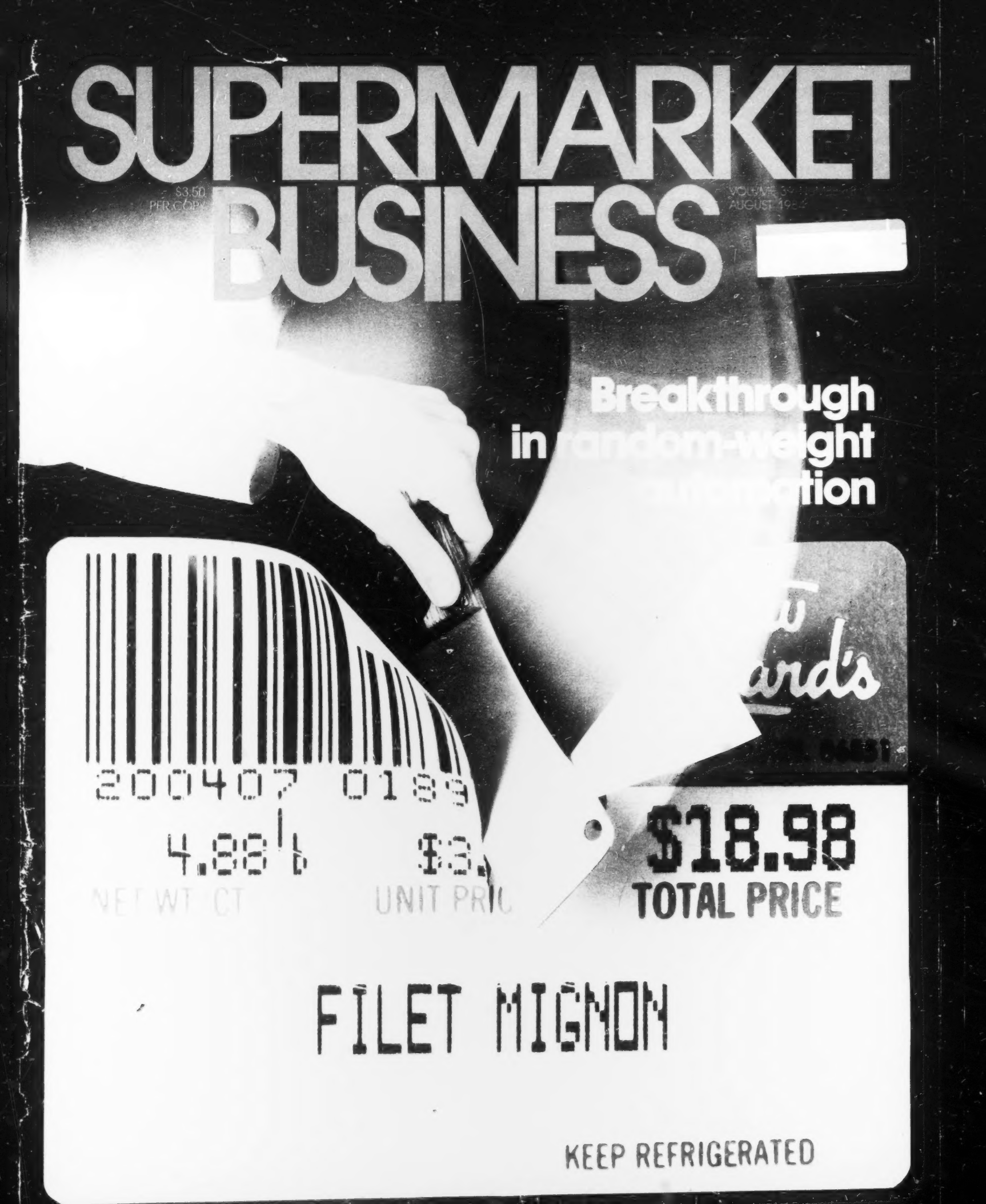

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SUPERMARKET BUSINESS

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PAGE 15

BREAKTHROUGH IN RANDOM-WEIGHT AUTOMATION
After years of lots of talk and little action, there may be a real breakthrough in meat automation. A central instore computer at FoodaRama Shop-Rite, in New Jersey, not only controls fresh meat, but also deli, fresh-fish, service meat and bulk foods.

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TRAY-READY MEAT TRIMS COSTS, BEEFS UP PROFITS, USERS SAY
Meat packers have been able to go a step beyond, technologically speaking, for some time. It hasn't been until recently, though, that they felt that the time was right. Now, a few suppliers have been working with selected supermarkets in successful tray-ready meat programs.

PAGE 27

CAN THE OWNER/WORKERS MAKE IT?
The people who run the cooperatively owned O&O Markets in Pennsylvania have had to learn how to run supermarkets that they once worked in. Now, they must learn how to deal with each other as *both* owners and workers.

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SUPER 1 BREAKS WITH BROOKSHIRE TRADITION
Brookshire's has long been an adherent of conventional supermarkets. But it's made a radical departure from form with its new super warehouse store, Super 1 Foods, in Alexandria, La. It even sells alcohol and is open on Sundays.

PAGE 48

CHECKOUT: PLEASE SQUEEZE THE PRODUCE
Rouse's, a four-store chain in Louisiana, has created a lot of better, and better-informed, consumers with its popular seminar series. The latest one was on produce.

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NONFOODS BUSINESS
In selected editions only

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GETTING FIRM WITH SOFT GOODS
The soft goods category at many supermarkets tends to be somewhat lackluster. Hosiery and underwear account for many of the sales, though some stores feature a broad variety of other items. Manufacturers, along with a few innovative retailers, are working on programs to pump up good—but not spectacular—sales in this potentially lucrative category.

ALSO IN NONFOODS BUSINESS

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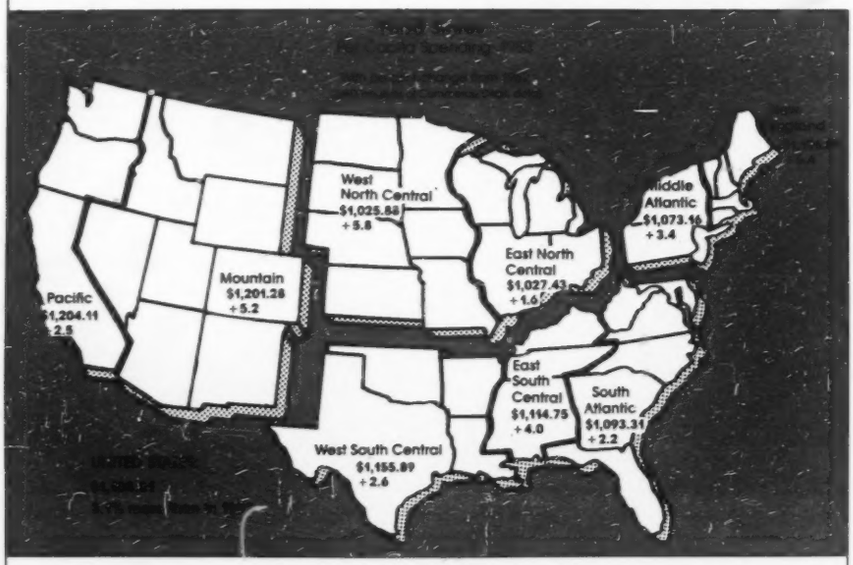
NEW PRODUCTS PAGE 11B

TRADESCAN



Consumer Spending Was Up in 1983

FAIR LAWN, N.J.—Last year, consumers spent a national average of $1,108.81 per capita in supermarkets and other retail food outlets, a 3.1 percent gain over 1982 expenditures, which amounts to $33 per person.

These and related figures are included in "Food Stores and Restaurants: Survey of 1983 Performance," recently published by the American Institute of Food Distribution (AIFD). The study details per capita food store spending for the country's nine Census regional divisions. Included in the data are expenditures for non-food items purchased from supermarkets.

Nationally, food store spending was highest in the West (see map), which witnessed an annual food store spending of $1,204 per capita. Lowest per capita spending occurred in the North Central region, where food store expenditures averaged $1,027—$177 less than in the West and an $82 difference from the national average.

Overall, neither the West nor the Sunbelt regions—both of which are noted for fast-paced growth in recent years—logged the greatest gains in food store spending. The Mountain, West North Central and New England areas recorded increases of over five percent per capita over 1982, compared to the smallest increase—1.6 percent—posted by the East North Central region.

In terms of physical tonnage, the Northeastern states logged the highest real gains for food product retailers, with an estimated increase of 3.2 percent. An above-average increase in tonnage of three percent was recorded for the West, but increases in the South and North Central regions were considerably lower—1.7 and 1.5 percent, respectively.

Last year's per capita and physical tonnage increases reflect the pattern of 1982, which showed a national store tonnage increase of a mere 0.1 percent, with nominal decreases in tonnage posted for the South and North Central regions.

AIFD vice president, Frank Panyko, cautions the food industry not to be misled by unanalyzed statistics concerning recent growth in the Sunbelt. Despite vastly increased population percentage growth rates, other factors, such as base population, number of square miles to be considered in each region and per capita income, must also be taken into account. Grocery store sales in the Northeast total $275 per square mile, compared to $71 in the North Central region, $90 in the South and a mere $26 in the West.

Further information regarding "Food Stores and Restaurants" is available from AIFD at: 28-12 Broadway, Fair Lawn, N.J. 07410. The study is priced at $40 for association members and $85 for non-members. ■

Brochure Helps Employees Make Proper Alcohol Sales

OCALA, Fla.—As both social and legal intolerance of underage drinking and drunk driving continues to mount, supermarket retailers are forced to be increasingly vigilant in monitoring their liquor sales. To aid store employees in determining how and when to sell alcohol, the Retail Grocers Assn. of Florida (RGAF) recently distributed a practical sales guide, "When to Make The Sale," to its members.

Under current Florida state law, the drinking age is 19 for all alcoholic beverages; supermarkets are permitted to sell beer and wine. (Liquors must be sold at separate establishments.) A recently proposed bill that would hold supermarkets responsible for damages incurred by persons acting under the influence of alcohol purchased from them failed in committee. But stores are still open to individual damage suits that can be costly and drawn out. The brochure's guidelines are designed to minimize the possibility of lawsuits.

"When to Make The Sale" is based on a program initially created by the Southland Corp. for use by its 7-Eleven convenience store employees. It should help to familiarize employees with state alcohol laws, their practice and penalties for non-practice, and to help them determine the correct identification necessary to purchase wine and beer.

Says RGAF chair and president of Sunshine-Jr. Stores, Lana Jane Lewis-Brent, "We will not knowingly or willingly sell alcoholic beverages to people under the drinking age, and we want our customers and our employees to know and understand this." Approximately 75 percent of Florida's supermarket retailers are RGAF members. ■

Pay Bills As You Shop

NEW YORK—Supermarket customers will soon be able to pay their phone bills electronically while shopping, thanks to an agreement worked out recently between New York Telephone and Datek-InstaCard Corporation (DICC).

This is said to be the first such cooperative arrangement linking retailers and a utility. The plan, which is now being tested, enables customers to present their phone bill and payment in the form of cash, check, banking card, money order or Bell System Gift Certificate to a supermarket's courtesy clerk, who will immediately enter the payment information into Datek-InstaCard's computer. The payee's account will be credited with the payment within 24 hours if made on a weekday or on the next business-day if made on a weekend or holiday, according to the president of DICC, a shared electronic banking network.

Wayne Chelikowsky said the pilot program for this bill-paying system is underway in the Buffalo, N.Y. area. By the end of this year he expects regular installations to be in place in "a large number of drug and supermarket outlets in the upstate New York area."

He added that the system will provide great convenience to the nearly 50 percent of N.Y. Telephone customers who pay their bills in person. And he did mean *bills*: With the break-up of AT&T, he pointed out, many people now are receiving separate accounts for local and long distance calls, and both can be handled by this electronic paying system. ■

Florida Wholesaler Opens Child Care Center

OCALA, Fla.—This summer, Certified Grocers of Florida will open its newest facility, but it won't be for distribution. In fact, it won't have a thing to do with groceries. Instead, it will be a child development center devoted exclusively to the care of the children of Certified's employees. It will be able to accommodate up to 100 children, from infancy to age five.

Child care rates here will be about one-third lower than commercial centers, but the program offered won't skimp on anything. The center will be staffed only by trained professionals, and it will include a large indoor multi-purpose room, a screened patio for infants and toddlers, a playground, a covered patio for preschoolers and kindergarteners, restrooms, kitchen and pantry facilities, conference and isolation rooms.

Rates will be about a third less.

Jill Browder, the center's director, holds a degree in elementary education, as well as a masters and an education specialist degree. "The center will not just be babysitting," she explains. "It will provide a complete childhood development program. One curriculum will be geared for infants and toddlers, the other for preschoolers and kindergarteners. What's unique about this center is the high level of parental involvement that we'll have, which is possible because this is an on-site center. For instance, parents will be able to visit their children during lunch hour."

A few other corporations have similar arrangements available to employees, but this is the first known among food wholesalers. Jill Browder reports that she has received a number of inquires from other companies interested in setting up similar centers. She welcomes anyone interested in touring the facilities to contact her once the center opens. ■

SAMI UPDATE:

May Was a Merry Month for HBA Sales

The upward trend for HBA products continued in May. Strongest category as a whole was skin care aids.

BY ALAN MILLER

Following a slight decline in the unit growth rate in April, sales for the period ending on May 25 ran 3.9 percent ahead of the corresponding period a year ago, which in turn was 3.4 percent ahead of the 1983 28-day gain over 1982. During the preceding month, the gain in all HBA categories combined was 2.2 percent.

Of the eight product groups tracked by SAMI, there were four-week gains in six and losses of less than one percent in two: first aid and shaving needs. The most significant level of growth among product groups was a gain of 8.4 percent for skin care aids.

The gain/loss tally at the product category level was nearly identical with the ratio exhibited in the preceding four-week period. There were 28 categories with unit volume increases, 21 with declines and a no change situation for laxatives and stool softeners. The highest category losses were 13.7 percent for cream deodorants and 13.5 percent for feminine hygiene deodorants. Hair sets showed growth of 386 percent as a result of the proliferation of mousse items. These products had been formerly placed in the hair dressing needs category, but as of the current period were moved to hair setting needs as a more appropriate environment for the new entries.

SAMI tracks the volume of four HBA categories among baby needs and, as was true in the April reporting period, there were losses among baby powders (−8.3 percent) and infant clothes (−7.1 percent). These were offset by gains of 5.2 percent for nursing supplies and 2.4 percent for baby oils, creams & lotions for a net gain of 0.1 percent in the unit volume of this product group.

There were more deodorant categories with four-week unit volume losses than gains. The three categories that kept the product group in the black for the period were foot deodorants and athlete's foot remedies (+14.8 percent), stick deodorants & pads (+11.1 percent) and roll-on deodorants (+8.3 percent). The highest loss rates were found among the aforementioned cream deo-

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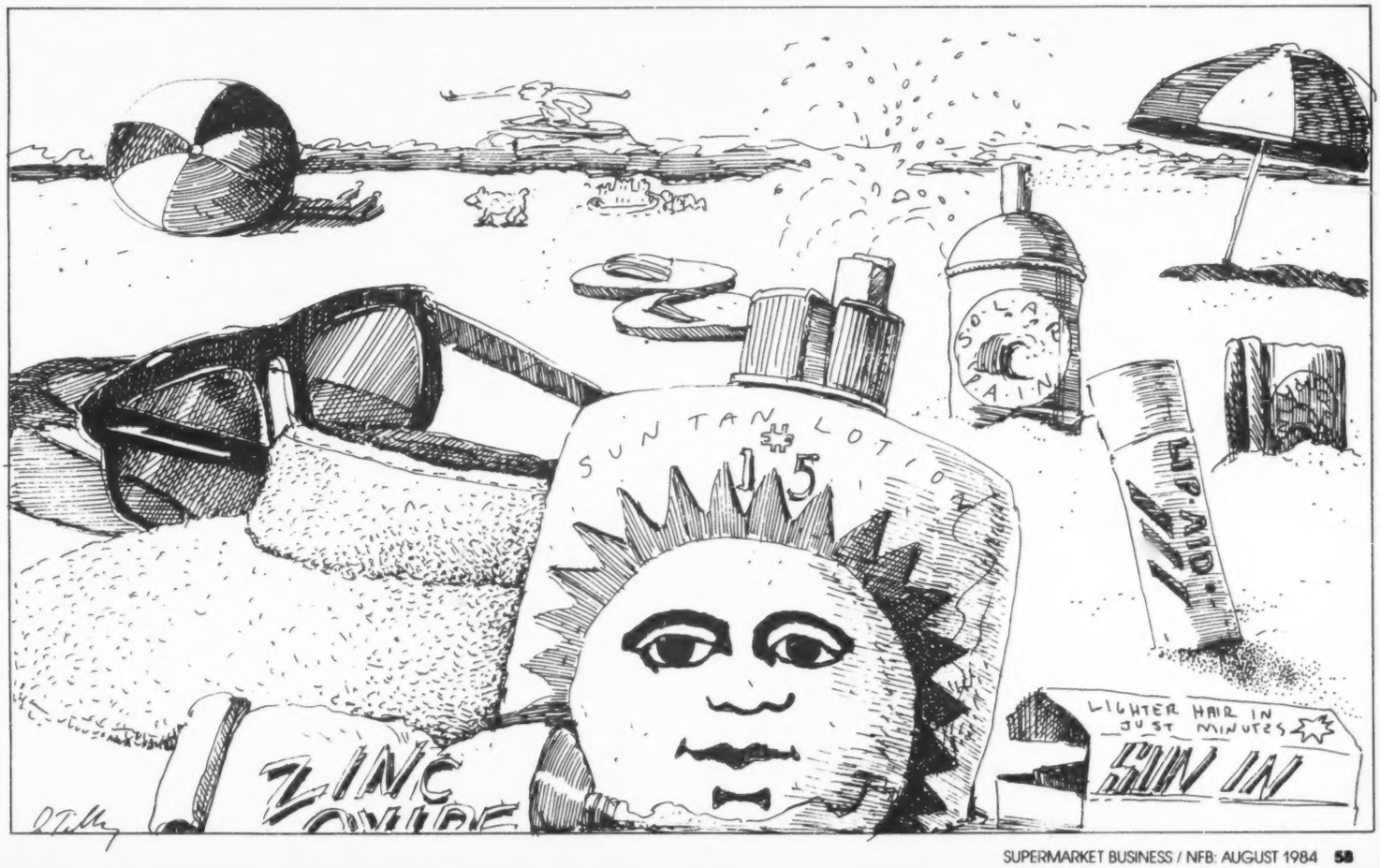

SAMI

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dorant and feminine hygiene deodorant categories and, in addition, among deodorant and talcum powders (−6.8 percent), spray deodorants (−2.5 percent) and feminine douches (−2.0 percent). Even so, unit volume of all deodorant categories combined was 3.8 percent ahead, but this gain trailed the growth of 10 percent that occurred in April.

In April, first aid antiseptics showed a decline and first aid products registered a plus. In May, the categories changed places in this respect, and there was a 3.2 percent decline for first aid products as compared with an 8.3 percent gain for antiseptics. The total for the two categories combined fell 0.7 percent in the current period.

Of the seven categories in the hair care needs product group, there were gains in four and losses in three. The declines were all modest: −3.4 percent for home permanent kits, −2.7 percent for hair coloring and −2.3 percent for hair conditioning rinses. There was an increase of 4.7 percent in the high volume shampoo category; this contrasted with a 2.1 percent loss rate in the preceding period. Hair sprays continued to record double-digit rates of gain, the latest a 10.0 percent jump. Hair dressing needs, from which the mousse products were moved, showed a gain of 5.5 percent. The product group as a whole advanced 6.2 percent, representing a four-week gain of more than 2.5 million.

Whoa, flossie

An acceierating growth rate is found among oral hygiene products, and the product group as a whole advanced 6.7 percent. Volume in the important toothpaste category rose 8.9 percent. This rate of gain is expected to gather momentum as soon as pump entries follow in the footsteps of Minnetonka's Check-Up entry. Breath fresheners advanced 14.6 percent on a small volume base and toothbrushes registered a strong 7.4 percent upswing. The solitary loss in this oral hygiene group was a 3.1 percent drop among denture cleaners. This category has shown continuing sales weakness and is the only oral hygiene category with a 52-week loss in food stores.

Proprietary remedies returned to the plus column. The 2.4 percent advance for May compared with a decline of 0.4 percent in April. Eye care products continue their upward surge and the most recent growth rate stood at 19.4 percent. The 13.5 percent gain for cold tablets translates to more units than the 15.9 percent hike for sleeping aids because of the difference in the size of the two categories. A 10.9 percent loss for tranquilizers has little significance since there are no major brands left in this shrinking category. Cough remedies continue heading downward, although the loss rate of 2.0 percent represents an improvement over the 4.1 percent loss seen on a 52-week basis or −3.6 percent for the 12-week reporting period. The largest volume category in this product group, internal analgesics, showed growth of less than one percent.

Shaving needs nicked

Four out of the five shaving needs categories exhibited relatively modest set-backs in four-week unit volume and a gain of 10.5 percent for aftershave lotions was not quite enough to pull the product group out of red ink. However, the loss of 0.1 percent for May represents an improvement over the decline of 3.2 percent for shaving needs in April.

The product group with the greatest percentage increase was skin care aids. The only category with a four-week negative trend was facial preparations, down 7.2 percent. Major increases were seen among suntan lotion/suntan oil products (+40.1 percent), particularly sunscreens, and lip care products, which moved up 23.7 percent. There was a gain of 4.7 percent in the highest volume category in this product group—hand & body creams & lotions—and a moderate move upward of 2.9 percent in the case of cosmetic and medicated skin aids.

Thus far in 1984, health and beauty aids are exhibiting growth upon the growth trends that were in evidence a year ago. The importance of new products will help to determine the rate of growth during the remainder of the year. ■

HEALTH & BEAUTY AIDS: SAMI FOUR-WEEK FOOD STORE UNIT TRENDS VS. YEAR AGO

PRODUCT GROUP AND CATEGORY	% CHANGE VS. YEAR AGO		
	4 WEEKS ENDING 3/30/84	4 WEEKS ENDING 4/27/84	4 WEEKS ENDING 5/25/84
BABY NEEDS	**+ 1.2**	**− 0.1%**	**+ 0.1%**
Baby Powders	− 6.1	− 5.5	− 8.3
Baby Oils, Creams & Lotions	+ 4.4	+ 1.3	− 2.4
Infant Clothes	− 9.7	− 5.3	− 7.1
Nursing Supplies	+ 5.2	+ 3.8	+ 5.2
DEODORANTS	**+13.4%**	**+10.0%**	**+ 3.8%**
Sprays	+ 8.5	+ 8.5	− 2.5
Roll-On	+17.8	+12.1	+ 8.3
Stick Deodorants & Pads	+21.3	+15.1	+11.1
Creams	−11.6	−10.0	−13.7
Deodorants & Talcum Powders	+ 2.6	− 7.0	− 6.8
Feminine Hygiene Deodorants	− 6.1	− 7.6	−13.5
Foot Deodorants & Athlete's Foot Remedies	+ 8.5	+ 5.2	+14.8
Feminine Douches	+ 8.0	+ 8.6	− 2.0
FIRST AID	**+ 2.6%**	**+ 2.3%**	**− 0.7%**
Antiseptics	+ 8.8	− 1.0	+ 8.3
First Aid Products	+ 1.2	+ 3.2	− 3.2
HAIR CARE NEEDS	**+ 6.3%**	**+ 1.9%**	**+ 6.2%**
Shampoos	+ 5.4	− 2.1	+ 4.7
Hair Sprays	+12.0	+11.1	+10.0
Hair Conditioning Rinses	− 5.1	− 6.2	− 2.3
Hair Setting Needs	+32.8	+48.8	+386.2
Home Permanent Kits	− 5.2	+ 6.7	− 3.4
Hair Coloring	+ 5.2	+ 5.4	− 2.7
Hair Dressing Needs	+36.1	+29.2	+ 5.5
ORAL HYGIENE	**+ 1.6%**	**+ 4.8%**	**+ 6.7%**
Toothpastes & Powders	+ 0.9	+ 7.4	+ 8.9
Mouthwashes	+ 1.3	− 0.7	+ 1.0
Breath Fresheners	− 0.8	+ 3.5	+14.6
Denture Cleaners	− 6.5	− 7.0	− 3.1
Denture Adhesives	+ 3.8	+ 4.4	+ 0.6
Toothbrushes	+ 8.9	+ 3.5	+ 7.4
PROPRIETARY REMEDIES	**+ 1.9%**	**− 0.4%**	**+ 2.4%**
Antacids	+ 0.2	− 1.9	+ 2.7
Internal Analgesics	+ 0.8	− 0.5	+ 0.7
External Analgesics	+ 7.6	− 9.2	+ 4.4
Cold Tablets	+12.7	+11.0	+13.5
Nasal Sprays—Drops—Inhalers	+ 3.4	− 2.3	− 1.8
Chest Rubs	+ 0.7	− 5.5	+ 0.1
Cough Remedies	− 4.3	− 3.8	− 2.0
Laxatives	+ 1.8	− 3.0	± 0.0
Sleeping Aids	+19.9	+13.7	+15.9
Tranquilizers	−16.6	−14.4	−10.9
Vitamins	+ 8.2	+ 3.4	− 3.0
Eye Care Products	+20.5	+18.3	+19.4
Appetite Suppressants	+ 1.1	+ 0.4	+ 3.8
SHAVING NEEDS	**− 0.6%**	**− 3.2%**	**+ 0.1%**
Shaving Creams	+ 8.0	− 3.6	− 2.8
Pre-Shave Lotions	+ 4.8	+ 2.0	− 1.7
After-Shave Lotions	+ 7.9	+10.1	+10.5
Razor Blades	− 4.5	− 4.5	− 0.1
Razors & Blades	+18.8	+ 2.1	− 1.3
SKIN CARE AIDS	**+ 8.4%**	**+ 4.8%**	**+ 8.4%**
Hand & Body Creams & Lotions	+20.8	+ 3.9	+ 4.7
Facial Preparations	+ 0.3	− 2.7	− 7.2
Lip Care Products	+26.5	+ 0.4	+23.7
Suntan Lotions & Oils	−22.5	+19.6	+40.1
Cosmetic & Medicated Skin Aids	+21.1	+ 5.9	+ 2.9
TOTAL ALL CATEGORIES	**+ 3.8%**	**+ 2.2%**	**+ 3.9%**